STATE RISK MANAGEMENT WORKERS COMPENSATION FUND INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2006

									Current	Prior Year	3 Years	5 Years
	October-06				September-06				FYTD	FY06	Ended	Ended
	Alloca					_	Allocation					6/30/2006
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY												
Structured Growth	400.045	4.00/	4.00/	4.0.40/	457.740	4.00/	4.00/	4.000/	0.040/	44.400/	N1/A	N1/A
Los Angeles Capital Total Structured Growth	160,345 160,345	4.0% 4.0%	4.2% 4.2%	4.34% 4.34%	157,718	4.0% 4.0%	4.2% 4.2%	1.60% 1.60%	6.01% 6.01%	11.12% 11.12%	N/A N/A	
Russell 1000 Growth	160,345	4.0%	4.2%	4.34% 3.52%	157,718	4.0%	4.2%	3.94%	7.59%	6.12%	N/A N/A	N/A N/A
				3.32 /0				3.94/0	7.59%	0.12/0	IVA	IV/A
Structured Value LSV	175,219	4.4%	4.2%	3.46%	173,783	4.4%	4.2%	4.90%	8.53%	15.05%	N/A	N/A
Russell 1000 Value	175,219	4.4 /0	4.2 /0	3.27%	173,763	4.4 /0	4.2 /0	6.22%	9.70%	12.10%	N/A N/A	N/A
				0.2770				0.2270	0.7070	12.1070	7 4// 1	74// (
Russell 1000 Enhanced Index LA Capital	335,257	8.4%	8.3%	4.00%	314,595	8.0%	8.3%	3.71%	7.86%	11.58%	N/A	N/A
Russell 1000	333,237	0.470	0.5 /0	3.40%	314,333	0.070	0.0 /0	5.06%	8.62%	9.08%	N/A	N/A
S&P 500 Enhanced Index				0.1070				0.0070	0.0270	0.0070	7 4// 1	74// (
Westridge	338.096	8.5%	8.3%	3.29%	335,928	8.6%	8.3%	5.75%	9.22%	8.77%	N/A	N/A
S&P 500	330,030	0.0 /0	0.5 /0	3.26%	333,320	0.070	0.0 /0	5.67%	9.11%	8.63%	N/A	N/A
Index										0.0070		
State Street	117,994			3.77%	116,697			5.78%	9.77%	9.51%	N/A	N/A
Total 130/30	117,994	3.0%	2.8%	3.77%	116,697	3.0%	2.8%	5.78%	9.77%	9.51%	N/A	
S&P 500	,	0.070	2.070	3.26%	110,001	0.070	2.070	5.67%	9.11%	8.63%	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	1,126,912	28.2%	27.8%	3.72%	1,098,721	28.1%	27.8%	4.49%	8.38%	10.95%	N/A	N/A
S&P 500	1,120,912	20.2%	27.0%	3.72%	1,090,721	20.1%	27.0%	4.49% 5.67%	9.11%	8.63%	N/A N/A	N/A N/A
347 300				3.2070				3.07 /6	3.11/0	0.0378	10/7	IV/A
SMALL CAP DOMESTIC EQUITY												
Manager-of-Managers												
SEI	381,521	9.6%	9.3%	5.47%	361,694	9.2%	9.3%	-0.01%	5.46%	13.58%	N/A	N/A
Russell 2000 + 200bp				5.92%				0.94%	6.92%	16.86%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	381,521	9.6%	9.3%	5.47%	361,694	9.2%	9.3%	-0.01%	5.46%	13.58%	N/A	N/A
Russell 2000				5.76%				0.44%	6.22%	14.58%	N/A	N/A
DOMESTIC FIXED INCOME												
Core Bond	04.4.54.5	20.40/	20.70/	0.90%	000 400	20.6%	20.7%	4.450/	5.39%	-0.90%	N/A	N/A
Western Asset Lehman Aggregate	814,515	20.4%	20.7%	0.90%	806,190	20.6%	20.7%	4.45% 3.81%	5.39% 4.49%	-0.90% -0.81%	N/A N/A	N/A N/A
• • • • • • • • • • • • • • • • • • • •				0.0078				3.0176	4.43/0	-0.0178	IVA	IV/A
Core Plus/Enhanced	400.074	4 70/	4.8%	0.500/	405.057	4.8%	4.00/	NI/A	NI/A	NI/A	NI/A	NI/A
Clifton Group Prudential	186,874 186,015	4.7% 4.7%	4.8%	0.52% 1.03%	185,957 183,881	4.8%	4.8% 4.8%	N/A N/A	N/A N/A	N/A N/A	N/A N/A	
Total Core Plus/Enhanced	372,889	9.3%	9.6%	0.77%	369,837	9.5%	9.6%	N/A	N/A	N/A	N/A	
Lehman Aggregate	372,009	3.3 /6	3.0 /0	0.66%	309,037	3.5 /6	3.0 /6	3.81%	IV/A	IVA	IVA	IV/A
				0.0070				3.0170				
Index	057.440	0.00/	0.00/	0.040/	054507	0.40/	0.00/	0.400/	0.700/	4 4 40/	N1/A	NI/A
Bank of ND Lehman Gov/Credit (1)	357,110	8.9%	9.0%	0.61% 0.63%	354,587	9.1%	9.0%	3.10% 3.91%	3.73% 4.57%	-1.14% -1.52%	N/A 1.04%	. N/A 4.78%
				0.03/6				3.91/0	4.57 /0	-1.52 /6	1.04/0	4.70%
BBB Average Quality	044004	00.40/	00.70/	0.000/	005.070	00.00/	00.70/	4.000/	F 000/	0.440/	N1/A	NI/A
Wells Capital (formerly Strong) Lehman US Credit BAA	814,601	20.4%	20.7%	0.96% 0.89%	805,972	20.6%	20.7%	4.60% 4.80%	5.60% 5.73%	-2.11% -2.37%	N/A N/A	. N/A <i>N/A</i>
Leninan 03 Credit BAA				0.0970				4.00%	3.73/0	-2.37 /0	IVA	IV/A
TOTAL DOMESTIC FIXED INCOME	2,359,115	59.1%	60.0%	0.86%	2,336,586	59.7%	60.0%	4.28%	5.18%	-1.39%	N/A	N/A
Lehman Aggregate (2)	,,			0.66%	,,			3.81%	4.49%	-0.81%	N/A	N/A
,												
CASH EQUIVALENTS												
Bank of ND	126,779	3.2%	3.0%	0.44%	115,196	2.9%	3.0%	1.35%	1.79%	4.50%	N/A	N/A
90 Day T-Bill				0.38%				1.33%	1.71%	4.00%	N/A	N/A
TOTAL RISK MANAGEMENT FUND	3.994.327	100.0%	100.0%	2.08%	3.912.197	100.0%	100 09/	3.87%	6.03%	3.25%	N/A	N/A
POLICY TARGET BENCHMARK	3,994,327	100.0%	100.0%	1.85%	3,912,197	100.0%	100.0%	3.87%	5.86%	3.25%	N/A N/A	N/A N/A
I OLIOT TANGET BENGHIVIANN	L			1.00/0				J.34 /0	0.00%	3.31%	IV/A	IV/A

NOTE: Monthly returns and market values are preliminary and subject to change.

⁽¹⁾ From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

⁽²⁾ Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.